

U.S. Offshore Milestones

[Abbreviations: GOM = Gulf of Mexico; OCS = Outer Continental Shelf; OPA = Oil Pollution Act]

PRE Outer Continental Shelf Lands Act		
1896	<ul style="list-style-type: none"> First offshore oil production in the United States 	<ul style="list-style-type: none"> From wooden pier off Summerland, CA, in State waters
1938	<ul style="list-style-type: none"> First GOM offshore discovery well drilled in State waters 	<ul style="list-style-type: none"> Creole Field, 2.4 km (1.5 mi) from Louisiana coast in 4.2 m (14 ft) of water from a 100 x 300 ft drilling platform secured to a foundation of timber piles
1946	<ul style="list-style-type: none"> First GOM OCS exploratory well drilled in Federal waters 	<ul style="list-style-type: none"> 16 km (10 mi) southeast of Eugene Island by the Magnolia Petroleum Company
1947	<ul style="list-style-type: none"> First well drilled from fixed platform offshore almost out of sight of land in Federal waters 	<ul style="list-style-type: none"> Ship Shoal area 19.3 km (12 mi) south of Terrebonne Parish, LA, in 4.8 m (16 ft) of water by Kerr-McGee. Fixed platform/drilling tender combination was major breakthrough in drilling-unit design for offshore use.
1953	<ul style="list-style-type: none"> Submerged Lands Act passed OCS Lands Act passed 	<ul style="list-style-type: none"> Grants coastal States jurisdiction over a belt of submerged lands that extends seaward off the coast 3 nautical miles (3.45 statute miles or 5.5 km) except for the coasts of Texas and Florida where jurisdiction extends 3 marine leagues (10.35 statute miles or 16.65 km). Provides for Federal jurisdiction over the OCS and authorizes the Secretary of the Interior to lease those lands for mineral development.
POST Outer Continental Shelf Lands Act		
1958	<ul style="list-style-type: none"> First Pacific offshore drilling and production platform erected in State waters 	<ul style="list-style-type: none"> Platform Hazel in 30 m (100 ft) of water and 3.2 km (2 mi) offshore Summerland, CA, by Humble Oil & Refining Company and Western Operations, Inc.
1964	<ul style="list-style-type: none"> First Pacific OCS exploratory well drilled in Federal waters 	<ul style="list-style-type: none"> Offshore northern California by Humble Oil
1967	<ul style="list-style-type: none"> Initial Alaska discovery made by exploratory well 	<ul style="list-style-type: none"> Prudhoe Bay Field, Alaska, by ARCO
1968	<ul style="list-style-type: none"> First Pacific OCS production 	<ul style="list-style-type: none"> Platform Hogan, Lease OCS-P 0166
1969	<ul style="list-style-type: none"> Santa Barbara Oil Spill National Environmental Policy Act passed 	<ul style="list-style-type: none"> Platform blowout in Federal waters spurred development of oil spill regulation and research. Requires a detailed environmental review and statement before any major or controversial Federal action.
1970	<ul style="list-style-type: none"> Clean Air Act passed 	<ul style="list-style-type: none"> Regulates the emission of air pollutants from industrial activities.
1972	<ul style="list-style-type: none"> Coastal Zone Management Act passed Marine Mammal Protection Act passed 	<ul style="list-style-type: none"> Requires State review of Federal action that affects the land and water use of the coastal zone. Provides for the protection and conservation of all marine mammals and their habitats.
1973	<ul style="list-style-type: none"> Endangered Species Act passed 	<ul style="list-style-type: none"> Requires a permit to take an endangered species and that all Federal agencies must ensure that Federal actions will not significantly impair or jeopardize protected species or their habitats.
1975	<ul style="list-style-type: none"> First Alaska Continental Offshore Stratigraphic Test (COST) well drilled 	<ul style="list-style-type: none"> Gulf of Alaska

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1976	<ul style="list-style-type: none"> First Alaska lease sale held First Alaska OCS exploratory well drilled 	<ul style="list-style-type: none"> Lease sale 39 in Gulf of Alaska. Bonus bids totaled \$571,871,587. Gulf of Alaska, Block 106, by Shell Oil
1977	<ul style="list-style-type: none"> Clean Water Act passed 	<ul style="list-style-type: none"> Regulates discharge of pollutants into the surface waters of the United States.
1978	<ul style="list-style-type: none"> Major amendments to the OCS Lands Act passed First Mid-Atlantic OCS exploratory well drilled 	<ul style="list-style-type: none"> Important changes: requirements for 5-year programs; formalized environmental studies program; and formalized coordination and information sharing Blk 683, NJ 18-3, by Exxon, 5,370 meters (17,620 ft) deep
1979	<ul style="list-style-type: none"> First South Atlantic OCS exploratory well drilled 	<ul style="list-style-type: none"> Blk 208, NH 17-5, by Tenneco, 2,363 meters (7,754 ft) total well depth
1980	<ul style="list-style-type: none"> First 5-Year Leasing Program initiated 	<ul style="list-style-type: none"> Between 1980 and 1982, twelve OCS lease sales were held.
1981	<ul style="list-style-type: none"> First OCS leasing moratorium enacted by Congress (FY 1982) Highest bid on a block received First North Atlantic OCS exploratory well drilled 	<ul style="list-style-type: none"> In central and northern California OCS. However, leasing moratoria was later extended to six other OCS planning areas. \$333,596,200 in So. California lease sale 53, NI 10-06, Blk 464 Blk 133, NK 19-12, by Exxon, 4,303 meters (14,118 ft) deep
1982	<ul style="list-style-type: none"> MMS created as a bureau of the Department of the Interior Federal Oil & Gas Royalty Management Act passed Initial 5-Year Leasing Program revised 	<ul style="list-style-type: none"> With mission to manage OCS mineral resources in an environmentally sound and safe manner and to collect, verify, and distribute mineral revenues from Federal and Indian lands. Designed primarily to assure proper and timely revenue accountability from production and leasing of Federal lands. Introduced areawide leasing.
1983	<ul style="list-style-type: none"> Record number of lease sales in a year Greatest high bid dollar amount received at a lease sale First compliant guy-towered platform First preleasing moratorium enacted (FY 1984) President Reagan signs Proclamation 5030 (3 CFR 22) establishing the U.S. Exclusive Economic Zone (EEZ) 	<ul style="list-style-type: none"> Eight sales: GOM 69(2), 72, 74; PAC 73; AK 57,70; ATL 76,78 \$3,469,214,969 in the Central GOM lease sale 72 In the GOM, 181.3 kilometers (110 mi) southeast of New Orleans, LA, in 303 meters (1,000 ft) of water North Atlantic The EEZ is the area contiguous to the territorial sea of the United States, the Commonwealth of Puerto Rico, the Commonwealth of Northern Mariana Islands, and the U.S. overseas territories and possessions and extends 200 nautical miles from the coastline.
1984	<ul style="list-style-type: none"> National Fishing Enhancement Act passed Most tracts offered at a lease sale Record number of exploratory wells drilled in a year Record number of platform installations in a year Focused leasing concept introduced 	<ul style="list-style-type: none"> Encourages using offshore oil platforms as artificial reefs. 8,868 tracts in the Eastern GOM lease sale 79 597 in the GOM 229 in the GOM Allowed deletion of low industry interest, environmentally sensitive acreage from sale areas early in the lease sale process.
1985	<ul style="list-style-type: none"> Well drilled farthest from shore 	<ul style="list-style-type: none"> 965 kilometer (603 mi) in Navarin Basin, Alaska, Block 673; ARCO, Inc.

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1986	<ul style="list-style-type: none"> Deepest well drilled OCS Lands Act Amendments to Section 8(g) passed 	<ul style="list-style-type: none"> 7,620 meters (25,000 ft) in the Central GOM, Viosca Knoll, Block 117, by Apache Corporation Distributed funds in escrow to Federal Government and affected States.
1988	<ul style="list-style-type: none"> Congress enacts first OCS drilling ban (FY89 DOI appropriations) Lease in deepest water 	<ul style="list-style-type: none"> 73 existing leases in Eastern GOM, south of 26° N Latitude. However, drilling moratoria was later expanded to include North Aleutian Basin and leases offshore North Carolina. 3,335 meters (10,942 ft) in the Eastern GOM, lease sale 116, in Lloyd Ridge, Block 737, by Kerr-McGee Corp.
1989	<ul style="list-style-type: none"> Most bids received on a block Exxon Valdez spill (onshore-produced oil) in State waters President Bush establishes OCS Task Force to examine concerns over adverse impacts of lease sales offshore California and Eastern GOM, south of 26°N 	<ul style="list-style-type: none"> 15 in Western GOM lease sale 122, offshore Galveston, TX, Block 313 Approximately 10 MMbbl of oil spilled into Prince William Sound, Alaska. The large volume spill led to passage of the Oil Pollution Act of 1990.
1990	<ul style="list-style-type: none"> Amendments to Clean Air Act passed Oil Pollution Act of 1990 passed North Carolina Outer Banks Protection Act passed President Bush decides to withdraw certain areas for lease until 2000 	<ul style="list-style-type: none"> EPA authorized to set air quality standards and regulate air emissions. Listed 189 chemicals and chemical categories for which EPA would set national emissions standards. Enacted in response to a number of larger tanker spills with the objectives of (1) preventing discharges of oil into Federal waters from vessels and facilities and (2) ensuring that owners and operators have the resources to clean up such spills should they occur. Prohibits the Secretary of the Interior from conducting a lease sale, issuing any new leases, approving any exploration, development and production plans, or any application for permit to drill or permit any drilling for oil and gas under the OCS Lands Act on any OCS lands offshore North Carolina. Stipulated that an Environmental Sciences Review Panel be established no later than 6 months after enactment. Areas offshore California, Washington, and Oregon, North Atlantic, and Eastern GOM (south of 28°) until after the year 2000
1991	<ul style="list-style-type: none"> Deepest producing natural gas well 	<ul style="list-style-type: none"> 6,587 meters (21,612 ft) water depth in the GOM, Well A001, Lease OCS-G 5058, Mobile Block 821, by BP Exploration & Oil Inc.
1992	<ul style="list-style-type: none"> Secretary of Interior delegated OPA-90 authority to MMS Conoco Inc. vs. The United States lawsuit 	<ul style="list-style-type: none"> Gave MMS the responsibility for certifying (1) oil spill prevention and response plans for all offshore oil and gas facilities, including platforms and pipelines in State waters as well as on the OCS, and (2) financial responsibility for oil spill liability at an increased level of \$150 million for all operators of offshore facilities, including pipelines. Lawsuit concerning congressional moratoria preventing drilling of existing leases in certain areas.
1993	<ul style="list-style-type: none"> Most platform removals in a year 	<ul style="list-style-type: none"> 182 removals in the GOM
1994	<ul style="list-style-type: none"> Full transfer of OCS Air Regulations to EPA 	<ul style="list-style-type: none"> Air quality regulatory authority for Pacific OCS facilities transferred from DOI to EPA. EPA transferred authority to local air pollution control districts.
1995	<ul style="list-style-type: none"> Deepwater Royalty Relief Act passed Settlement agreement reached as part of Conoco lawsuit. 	<ul style="list-style-type: none"> Expands MMS's discretionary authority to grant royalty relief and mandates royalty relief (under certain conditions) for GOM leases in 200 meters (658 ft) or greater water depth. Certain leases under litigation were relinquished to the Federal Government by lessees in return for a fee.
1996	<ul style="list-style-type: none"> OPA-90 Amendments passed Congress repeals Section 6003 of OPA-90 World's first production SPAR installed 	<ul style="list-style-type: none"> Applied to financial responsibility for offshore facilities and to spill prevention within State waters Resulted in repeal of North Carolina leasing and drilling moratorium 564 meters (1,851 ft) of water in Viosca Knoll, Neptune SPAR by Oryx Energy in Central GOM

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1996 (cont.)	<ul style="list-style-type: none"> Producing well in GOM's deepest water GOM deepwater production record and world record tieback set Royalty Simplification and Fairness Act signed 	<ul style="list-style-type: none"> Platform Mars in 896 meters (2,940 ft) of water in Central GOM, Mississippi Canyon Block 807, Shell Deepwater Production, Inc. Mensa field subsea system in 1,615 meters (5,300 ft) of water 225 kilometers (140 mi) southeast of New Orleans, LA, with a 12-inch flow line tied back 109 kilometers (68 mi) to a shallow water platform This act, designed to improve the management of royalties from Federal and OCS oil and gas leases, was the first major legislation affecting royalty management since the Federal Oil and Gas Royalty Management Act of 1982, which was passed in January 1983.
1997	<ul style="list-style-type: none"> Most bids received at a lease sale Most tracts bid on at a lease sale GOM gas production record set First royalty relief granted under the Deepwater Royalty Relief Act for existing leases 	<ul style="list-style-type: none"> 1,790 bids for Central GOM lease sale 166 1,032 tracts for Central GOM lease sale 166 Southeast Tahoe field, Viosca Knoll Block 784, production rate of 119 MMcfd from a single satellite well tied back to the Bud Lite facility, 13 miles away. Granted to Tatham Offshore, Inc., for Sunday Silence, a deepwater field offshore Louisiana in 457 meters (1,500 ft) water depth, about 45 kilometers (72 mi) offshore and about 84 kilometers (135 mi) south of New Orleans, LA
1998	<ul style="list-style-type: none"> GOM water-depth drilling record set by oil drillers Production record set in GOM First freestanding offshore compliant tower and tallest freestanding structure in the world. Presidential Directive under the OCS Lands Act to prevent leasing any area under moratorium before 2012 	<ul style="list-style-type: none"> Set by the Glomar Explorer drill ship, at a water depth of 2,352 meters (7,718 ft), 175 miles southeast of New Orleans, LA, in GOM's Atwater Valley section. Chevron USA Production Company led the project. A-7 well in Ursa field, Mississippi Canyon Blk 809, produced at a rate of 39,317 bpd of oil and 60.67 MMcfd of gas, or 50,150 bpd of oil equivalent. Exceeds previous record of 46,475 boepd set at the Troika development. Shell, BP Amoco, Conoco, and Exxon are joint owners. Baldpate, located in 503 meters (1,650 ft) of water in GOM's Garden Banks Blk 260, extends almost 580 meters (1,902 ft) above the seafloor to the tip of its flare boom. Extended by 10 years the protection provided by DOI's leasing plan
1999	<ul style="list-style-type: none"> Oil production from the deepwater portion of the GOM surpassed production from the shallow-water portion 	<ul style="list-style-type: none"> Although only 30 (or 4%) of GOM's 747 producing fields are in deepwater, they provide over half of the GOM's daily oil production. In November 1999, deepwater production marked a major milestone in the history of GOM production, which started in shallow water in 1947.
2000	<ul style="list-style-type: none"> World water depth record set for an exploratory well from an anchored rig in GOM World's tallest freestanding structure World's deepest water drilling and production platform located in the GOM Longest horizontal reach record set for a well in the GOM 	<ul style="list-style-type: none"> Announced by Shell Oil on July 4, 2000. The R&B Falcon Corporation's Deepwater Nautilus spudded Baha 2 on the Baha Prospect (Alaminos Canyon Blk 557) reaching a water depth of 2,374 meters (7,790 ft). Installed in 535 m (1,754 ft) of water in the GOM as part of the Texaco USA compliant tower production system (Petronius Project), the structure rises almost 610 meters (2,000 ft) above the seafloor. Oil and gas production from the structure began on July 11, 2000. Exxon Mobil Corporation announced on July 3, 2000, the startup of oil and gas production from their Hoover Diana development in 1,463 meters (4,800 ft) of water. British Petroleum spudded the horizontal well on May 7th and reached the total depth on July 5th. The directional well has a 6,722-meter (22,056 ft or 4.18 mi) offset, with a true vertical depth of 3,003 meters (9,854 ft) and a measured depth of 7,836 meters (25,709 ft or 4.9 mi).

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2001	<ul style="list-style-type: none">▪ GOM's largest find to date▪ World deepwater drilling record set at 9,687 feet in the GOM. (Previous records were 9,157 feet offshore Gabon and 9,111 feet offshore Brazil.)▪ Offshore world record set for an oil and gas production tieback in the GOM	<ul style="list-style-type: none">▪ British Petroleum and ExxonMobil Corporation announced a major discovery in the deepwater GOM on February 13th. Located 5 miles northwest of the Crazy Horse field on Mississippi Canyon Blk 776, Crazy Horse North will produce 1 billion barrels, making it the largest ever opened in the GOM and ranking as one of the five largest fields in the GOM. The Discoverer 534 drillship spudded the hole in 1,719 meters (5,640 ft) of water and drilled to a total depth of 7,938 meters (26,045 ft or 4.9 mi).▪ Transocean Sedco Forex's drillship, <i>Discoverer Spirit</i>, spudded an exploration well in 2,945 meters (9,687 ft) of water while working for Unocal at their Trident Prospect located in Alaminos Canyon, Blk 903.▪ ExxonMobil began production on its Mica Project in 4,350 feet of water on Mississippi Canyon Blocks 167 and 211 located 100 miles south of Mobile Bay, Alabama. The subsea development project is tied back by an underwater flowline 29 miles to the existing Pompano platform. The tieback involves both oil and gas. Production started on August 17, 2001, at a rate of 140 million cubic feet of natural gas and 13,000 barrels of oil per day.
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